

October 15, 1999

PUBLIC UTILITIES COMMISSION  
Investigation into Area Code  
Relief

EXAMINER'S REPORT  
AND REQUEST FOR  
COMMENTS

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## **I. SUMMARY**

In this Report, the Advisory Staff (Advisors) recommends that the Commission order the implementation of thousand block pooling by all LNP-capable carriers in all LNP-capable rate centers in Maine and that Lockheed Martin's Communications Information Systems Division (CIS) be appointed as the pooling administrator until such time as the Federal Communications Commission (FCC) appoints a national thousand block pooling administrator.

In addition, the Advisors recommend that the Commission institute several numbering conservation measures to preserve as many thousand blocks as possible while it fully considers the authority granted to it by the Federal Communications Commission (FCC) on September 28, 1999. Specifically, the Advisors recommend that the Commission: (1) order all local exchange carriers and wireless carriers to put all thousand blocks with contamination rates of 10% or less in holding categories; (2) require that any carrier requesting a growth code in a rate center provide the Commission with proof of a fill rate of 75% for its existing code as well as a months to exhaust worksheet that shows the code will exhaust in less than 6 months; (3) require that any carrier requesting an initial code for a rate center demonstrate facilities readiness within 6 months; and (4)

require wireless carriers to meet with the Commission to discuss ways to improve wireless numbering efficiencies. The Advisors recommend that the Commission take these actions immediately. Therefore, we ask the parties to respond to these recommendations by October 29, 1999, so that the Commission can deliberate on November 4, 1999. We ask the parties to comment on other issues raised in this report by November 10, 1999, so the information will be available for the Pooling Implementation Meeting, which is tentatively scheduled for November 18, 1999, at 9:00 a.m. in the Commission's hearing room.

## **II. BACKGROUND**

On September 28, 1999, the FCC issued an Order granting the Commission's Petition for Delegation of Additional Authority to Implement Number Conservation Measures (Petition).<sup>1</sup> In its Order, the FCC granted the Commission authority to:

- (1) Order thousand block pooling by all LNP-capable carriers in Maine;
- (2) Investigate whether code holders have activated NXXs assigned to them within the time frames specified in the Central Office Code Assignment Guidelines (Guidelines), and to direct the North American Numbering Plan Administrator (NANPA) to reclaim NXXs that the Commission determines have not been activated in a timely manner;
- (3) Request number utilization data from all carriers;
- (4) Require NXX code applicants to demonstrate that they have met certain fill rates prior to obtaining additional numbering

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<sup>1</sup> Maine Public Utilities Commission Petition for Additional Delegated Authority to Implement Number Conservation Measures, *Order*, CC Docket No. 96-98, NSF File No. L-99-27 (rel. September 28, 1999) (Order).

resources, even in non-jeopardy NPAs, and allow the Commission to enforce these requirements;

- (5) Require carriers to demonstrate facilities readiness before acquiring an initial code; and
- (6) Require all code holders to submit forecast information to the Commission and the North American Numbering Plan Administrator (NANPA) and to direct NANPA to withhold assignment of numbering resources to those carriers who do not submit forecasts.

The Commission will fully explore the implementation of each of these measures and will provide all parties an opportunity to be heard before final measures are adopted. The Advisors recommend, however, that the Commission reach a final decision regarding the implementation of thousand block pooling and appointment of CIS as the pooling administrator so that preparations may begin as soon as possible. All other measures recommended in this Order are interim measures needed to ensure the continued availability of numbering resources during the development of thousand block pooling and will be subject to further comment before permanent measures are adopted.

### **III. THOUSAND BLOCK POOLING**

#### **A. The Commission Should Order the Implementation of Thousand Block Pooling As Soon As Possible.**

The FCC's Order grants the Commission authority to institute a mandatory thousand block number pooling trial in Maine in all areas and by all carriers that are presently LNP-capable. Order at ¶ 30. The FCC found that thousand block pooling "is an important numbering resource optimization strategy, essential to extending the life of the North American Numbering Plan"

and that pooling will allow the Commission “to address inefficiencies on the supply side of the telephone number assignment regime by ordering that LNP-capable carriers receive smaller blocks of numbers than they now do.” Order at ¶¶ 26, 37. Indeed, thousand block pooling allows numbers to be allocated in blocks of 1,000 rather than 10,000 (as currently required under the Central Office Code Assignment Guidelines (CO Guidelines)) by a pooling Administrator who coordinates the allocation of numbers to a particular service provider with the Number Portability Administration Center (NPAC).

Currently, there are over 3.7 million numbers stranded in assigned CO codes in Maine. According to the individual carrier data submitted pursuant to the Industry Task Force Agreement, there are approximately 1000 uncontaminated thousand blocks within Bell Atlantic’s service territory<sup>2</sup> as well as an additional 700 blocks with under 10% contamination. (Collectively referred to as “minimally contaminated blocks.”) If all of the LNP-capable code holders were to donate all of their minimally contaminated blocks, all but 14 rate centers in Bell Atlantic’s territory would have at least 5 blocks in their initial pools.<sup>3</sup> Even if only 75% of the available blocks are donated, numbering efficiency in Maine will

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<sup>2</sup> As of August 31, 1999, Bell Atlantic had implemented local number portability throughout its territory. AT&T, MCI/Brooks, Lightship, Fairpoint, Communications Design, Inc., and Mid-Maine TelPlus (Maine’s only facilities-based competitive local exchange carriers offering non-dedicated service) are all LNP-capable and have been certified to provide service within Bell Atlantic’s territory (or a portion thereof). None of the independent telephone companies is currently LNP-capable.

<sup>3</sup> The Advisors are not suggesting that donation of all minimally contaminated blocks would be appropriate without consideration of the carrier’s own numbering needs. A preliminary analysis of the data, however, indicates that carriers would be able to donate the vast majority of their minimally contaminated blocks and have more than sufficient resources in the remaining blocks to meet demand.

significantly improve and the date of exhaust for the 207 area code will be delayed considerably.

Thus, the Advisors recommend, on the basis of this evidence as well as upon information submitted to the FCC in its rulemaking proceeding,<sup>4</sup> that the Commission order the implementation of thousand block pooling in all LNP-capable rate centers by LNP-capable carriers as soon as possible. ***Any comments regarding this recommendation must be filed by October 29, 1999.***

**B. The Commission Should Appoint Lockheed Martin's Communications Information Systems as the Pooling Administrator.**

In order to implement thousand block pooling, a neutral third-party administrator must be appointed. The North American Numbering Council (NANC) has recommended to the FCC that CIS/NANPA be named the national pooling administrator. The FCC has yet to act upon the NANC's recommendation. Currently, CIS is administering the thousand block pooling trials in Illinois and New York. CIS has agreed with NANC to provide pooling administration services pursuant to the terms approved by the NANC in those states that are granted authority by the FCC to implement mandatory thousand block pooling trials.

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<sup>4</sup> Number Resource Optimization, Docket No. 99-200.

Given CIS's experience in service as pooling administrator and the likelihood that CIS/NANPA will be named the national pooling administrator, the Advisors recommend that the Commission appoint CIS as the pooling administrator for Maine. ***Any party that objects to CIS' appointment as pooling administrator, must provide detailed comments regarding its objections and nominate another entity to serve as pooling administrator. All such comments must be filed no later than October 29, 1999. Any other comments concerning CIS's responsibilities as pooling administrator should be filed no later than November 5, 1999.***

### C. Thousand Block Pooling Guidelines

In Paragraph 30 of its Order, the FCC required the Commission to implement thousand block pooling according to the industry-adopted thousand block pooling guidelines.<sup>5</sup> The FCC further provided, however, that the Commission could depart from those Guidelines if it deemed it appropriate after first consulting with the Industry regarding the implications of any proposed changes. Order at ¶ 30. ***Interested persons and parties are invited to submit comments no later than November 5, 1999, regarding what provisions, if any, of the Thousand Block Guidelines should be modified to accommodate a thousand block pooling trial in Maine.***

The Advisors recommend that once parties have submitted their comments on this issue and the Advisors have identified sections they believe

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<sup>5</sup> Thousand Block (NXX-X) Pooling Administration Guidelines, Draft (INC 99-0127-023) (rev. Jan 27, 1999) (Thousand Block Guidelines).

should be modified, the Commission should put all of the suggested changes out for further comment before acting on any of the recommendations. (If the INC were to approve any changes in the Guidelines suggested by Maine or other states, those changes would not be further noticed in this proceeding.)

#### **D. Cost Recovery**

In its Order, the FCC required that the Commission determine the method to recover the cost of the pooling trial as well as how carrier-specific costs directly related to pooling administration should be recovered. Order at ¶35. The authority delegated to the Commission by the FCC is governed by §251 of the Telecommunications Act which requires that any recovery mechanism be competitively neutral. In its Order, the FCC recommends that the Commission consider the cost principles found in the FCC's Telephone Number Portability Order<sup>6</sup> when designing a cost recovery mechanism. The Advisors recognize the importance of cost recovery issues to the industry and recommend that the Commission schedule a cost recovery technical conference/workshop so that a cost recovery mechanism can be in place by the time pooling is turned up. The Advisors expect to give considerable weight to the FCC's tentative conclusions in the FCC's Notice of Proposed Rulemaking (NPRM) in the Number Resource Optimization proceeding (Paragraphs 193 to 210)<sup>7</sup> with regard to the design of a cost recovery mechanism. ***Interested persons and parties are invited to submit comments by November 5, 1999, regarding cost recovery***

<sup>6</sup> Telephone Number Portability Third Report and Order, 13 FCC Rcd at 11724.

<sup>7</sup> Notice of Proposed Rulemaking, Number Resource Optimization, Docket No. 99-200 (May 27, 1999) .

*mechanisms and, more specifically, the FCC's tentative conclusions in the NPRM.*

#### **IV. INTERIM CONSERVATION MEASURES APPLICABLE TO ALL CARRIERS**

##### **A. Fill Ratios**

In order for thousand block pooling to be as effective as possible, we need to maximize the number of pooling-eligible blocks available in the pooling area, which includes all of Maine even though the pooling will not be implemented in areas outside of Bell Atlantic's service territory until a later date. As a first step, prior to actually establishing the pools, the Advisors recommend that the Commission order all code holders to put all thousand blocks with under 10% contamination in a holding category that is not accessible to sales, marketing, or customer service personnel. Application of this requirement to all carriers will preserve numbering resources in all areas of Maine and in all segments of the telecommunications market. It will also promote competitive neutrality between carriers which will be required to pool and those who will not.

The Advisors also recommend that carriers assign numbers as described below.

- (1) Assign freely from blocks with more than 10% contamination until an overall 75% utilization rate is reached.
- (2) Open one minimally contaminated block and assign until an overall 75% utilization rate is reached. This process is repeated until all uncontaminated blocks have been utilized and an overall 75% utilization rate is reached for the NXX.



Upon reaching an overall utilization rate of 75% for the NXX, a carrier may submit a request to NANPA for an additional NXX for that rate center only if the carrier's months to exhaust worksheet also shows that the code will exhaust is less than six months. The carrier should submit a copy of their code application, months to exhaust worksheet, and number utilization data for that specific rate center (in the format currently used in the semi-annual submission to the Commission) to the Hearing Examiner at the same time the code application is filed with NANPA. ***Parties and interested persons are invited to submit comments by October 29, 1999, concerning these requirements. Comments regarding what the permanent fill ratio should be, whether reserved numbers should be included in the fill rate calculation, whether competitive neutrality requires any additional limitations on carriers' abilities to assign freely from contaminated blocks, and whether the months to exhaust standards should be three months rather than 6 months should be filed by November 5, 1999.***

In accordance with the FCC's directives in Paragraph 12 of the Order, the Advisors recommend that the Commission adopt a waiver provision under which any carrier that believes that it would not be able to meet both the 75% fill ratio and 6 months to exhaust requirement and acquire sufficient new resources to meet projected demand, could file a request for a waiver of the fill ratio and/or months to exhaust requirement. Any such request would need to include back-up data showing why the carrier expects demand will exceed its resources. All such data submitted would be protected under the terms of the Permanent Protective Agreement. In addition, to ensure the expedited review

and processing of any waiver requests, the Advisors recommend that the Commission delegate authority to Commission staff to grant waivers if staff finds the back-up data both sufficient and credible. (Carriers would have the right to appeal an adverse decision to Commission.) ***Parties and interested persons are invited to submit comments regarding what type of permanent process should be put into place to address waiver requests by November 5, 1999.***

## **B. Initial Code Application Requirements**

With regard to requests by carriers for initial codes within a rate center, the Advisors recommend that the Commission continue the process it has been informally following since March. Specifically, before the Commission approves a facilities-based competitive local exchange carrier's request for certification in a specific rate center, the carrier must provide the Commission with information demonstrating facilities readiness within six months. When the carrier actually applies to NANPA for an initial code, it should provide the Commission with updated information which clearly indicates facilities readiness within six months of the requested activation date of the code. ***Interested persons and parties are invited to submit comments on this recommendation by October 29, 1999. Interested persons and parties are invited to submit comments regarding what should constitute proof of facilities readiness and what exceptions, if any, should be allowed to this requirement by November 5, 1999.***

## V. NON-LNP CAPABLE CARRIER CONSERVATION EFFORTS

Non-LNP capable carriers (wireless carriers and the independent telephone companies) will not be eligible to participate in pooling and thus will continue to be allocated full 10,000 blocks of numbers. As discussed above, in order to ensure competitive neutrality, the Advisors recommend that non-LNP capable carriers be subject to the same fill ratio requirements described in section IIIA above as well as the facilities readiness requirements described in Section IIIB.

In addition, the Advisors recommend that the Commission require wireless carriers (and all other interested persons and parties) to meet with the Advisors, on a date to be determined, to discuss what can be done to further conserve numbering resources, including technical issues regarding the need for separate NXXs for prepaid wireless services as well as the use of extended local calling areas. ***Interested persons and parties are invited to submit comments regarding these and other conservation measures that wireless carriers might utilize prior to LNP-capability. All such comments should be filed by November 5, 1999.***

Respectfully submitted,

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Hearing Examiner

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Dated: October 15, 1999